

CITY OF NAPA CITY COUNCIL
AGENDA REPORT

CONSENT CALENDAR
AGENDA ITEM 12.D.
Date: January 21, 2014

To: Honorable Mayor and Members of City Council

From: Roberta Raper, Finance Director

Prepared by: Sara Gallegos, Finance Analyst

Subject: Annual Report on Development Impact Fees for Fiscal Year 2013

ISSUE STATEMENT:

Annual report on development impact fees for fiscal year 2013 and five-year findings on status of fees collected as of June 30, 2013, in accordance with Government Code Sections 66001 and 66006.

DISCUSSION:

The City of Napa charges fees on new development to fund public improvements and amenities such as streets, traffic signals, bike lanes, and sidewalks. These fees are commonly known as development impact fees. As required by law, the fees are accounted for separately in order to avoid any commingling of the fees with other revenues and funds. Any interest income earned by the fee revenues is deposited into the individual revenue account and must be expended only for the purpose for which the fee was originally collected.

Government Code Section 66006(b)(1) requires the City of Napa to make available to the public within 180 days after the last day of each fiscal year, the following information:

- a) A brief description of the type of fee in the account or fund.
- b) The amount of the fee.
- c) The beginning and ending balance of the account or fund.
- d) The amount of the fees collected and the interest earned.
- e) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- f) An identification of the approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement.
- g) A description of each interfund transfer or loan made from the account or fund.
- h) The amount of refunds made pursuant to subdivision (e) Section 66001 and any allocation pursuant to subdivision (f) of Section 66001.

In addition, Government Code Section 66001(d) requires that for the fifth fiscal year following the first deposit into the account or fund and every five years thereafter, the local agency make the following findings with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

- (1) Identify the purpose to which the fee is to be put.
- (2) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.
- (3) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements.
- (4) Designate the approximate dates on which the funding is expected to be deposited into the appropriate fund or account.

It is recommended that the City Council receive and file the report.

FINANCIAL IMPACTS:

There is no financial impact. The City Council is required to review and file the report. No specific action or finding is required.

CEQA:

The City Manager has determined that the Recommended Action described in this Agenda Report is not subject to CEQA, pursuant to CEQA Guidelines Section 15060(c).

DOCUMENTS ATTACHED:

The following report is available for review at the City Clerk's Office (955 School Street) and the Napa Police Department Records Division (1539 First Street) in Napa, California:

1. Attachment 1: Annual Report on Development Impact Fees with Required Five-Year Findings for Fiscal Year Ending June 30, 2013

NOTIFICATION:

Public notice was published in the Napa Valley Register on December 27, 2013.

RECOMMENDED ACTION:

Staff recommends that the City Council move, second and approve each of the actions set forth below, in the form of the following motion. Move to:

Receive and file the Annual Report on Development Impact Fees with Required Five-Year Findings for Fiscal Year Ending June 30, 2013.